

## STATEMENT OF COMPATIBILITY WITH HUMAN RIGHTS

Social Services and other Legislation Amendment

(2014 Budget Measures No. 1) Bill 2014

Payment Rates Policy input into Minister's response to the Human Rights Committee's comments on the 2014 Budget measure to change indexation of Parenting Payment Single to the Consumer Price Index only from 20 September 2014.

### **Budget measure**

**from 20 September 2014 – index parenting payment single to the Consumer Price Index (CPI) only, by removing benchmarking to Male Total Average Weekly Earnings;**

### **Human Rights Committee request**

1.370 The committee therefore seeks the Minister for Social Services' advice as to whether changing the indexation of the parenting payment single from benchmarking against Male Total Average Weekly Earnings to the Consumer Price Index is compatible with the right to social security and the right to an adequate standard of living, and particularly:

- whether the proposed changes are aimed at achieving a legitimate objective;
- whether there is a rational connection between the limitation and that objective; and
- whether the limitation is reasonable and proportionate measure for the achievement of that objective.

### **DSS response**

- Are the proposed changes aimed at achieving a legitimate objective?

The change will achieve the legitimate objectives of standardising indexation arrangements across all social security payments, putting the income support system on a more sustainable footing by slowing down the Government's expenditure on social security.

- Is there a rational connection between the limitation and the objective?

There is a rational connection between the limitations and the objective. The measure is designed to reduce fiscal pressures on future budgets in the context of demographic changes associated with ageing population. The measure does this by slowing down the Government's expenditure on social security.

- Is the measure reasonable and proportionate for the achievement of the objective?

It is projected that around 252,000 recipients will be affected by the measure in 2014-15.

The measure is reasonable and proportionate for the achievement of the objective. The measure does not affect eligibility or qualification requirements for the payment and therefore access to social security support remains unchanged. At the same time, the measure achieves legitimate objectives of helping to constrain growth in social security expenditure, to assist the system to remain sustainable.

Pensions will continue to increase twice a year and purchasing power will be maintained through indexation to movements in prices.

## STATEMENT OF COMPATIBILITY WITH HUMAN RIGHTS

Social Services and other Legislation Amendment  
(2014 Budget Measures No. 2) Bill 2014

Payment Rates Policy input into Minister's response to the Human Rights Committee's comments on the 2014 Budget measure to change indexation of all pensions to the Consumer Price Index only from 20 September 2017.

### ***Budget measure***

- **from 20 September 2017 – ensure all pensions are indexed to the Consumer Price Index only, by removing:**
  - **benchmarking to Male Total Average Weekly Earnings;**
  - **indexation to the Pensioner and Beneficiary Living Cost Index;**

### ***Human Rights Committee request***

*1.403 The committee therefore seeks the Minister for Social Services' advice as to whether the changes to indexation of pensions are compatible with the right to social security, and particularly:*

- *whether the proposed changes are aimed at achieving a legitimate objective;*
- *whether there is a rational connection between the limitation and that objective; and*
- *whether the limitation is reasonable and proportionate measure for the achievement of that objective.*

### ***DSS response***

- Are the proposed changes aimed at achieving a legitimate objective?

The change will achieve the legitimate objectives of standardising indexation arrangements across all social security payments and putting the income support system on a more sustainable footing by slowing down the Government's expenditure on social security.

- Is there a rational connection between the limitation and the objective?

There is a rational connection between the limitations and the objective. The measure is designed to reduce fiscal pressures on future budgets in the context of demographic changes associated with ageing population. The measure does this by slowing down the Government's expenditure on social security.

- Is the measure reasonable and proportionate for the achievement of the objective?

It is projected that around 3,800,00 recipients will be affected by the measure in 2014-15.

The measure is reasonable and proportionate for the achievement of the objective. The measure does not affect eligibility or qualification requirements for the payment and therefore access to social security support remains unchanged. At the same time, the measure achieves legitimate objectives of helping to constrain growth in social security expenditure, to assist the system to remain sustainable.

Pensions will continue to increase twice a year and purchasing power will be maintained through indexation to movements in prices.